

UNITED STATES DISTRICT COURT  
DISTRICT OF MASSACHUSETTS

CANDY M. SOUSA, On Behalf of Herself and)	No. 04-30022-MAP
All Others Similarly Situated,	)
	)
Plaintiff,	)
	)
vs.	)
	)
WAVE SYSTEMS CORPORATION, et al.,	)
	)
Defendants.	)
	)
<hr/> YOSEF STREICHER, On Behalf of Himself	No. 04-30026-KPN
and All Others Similarly Situated,	)
	)
Plaintiff,	)
	)
vs.	)
	)
WAVE SYSTEMS CORPORATION, et al.,	)
	)
Defendants.	)
	)
<hr/>	)

[Caption continued on following page.]

[PROPOSED] ORDER GRANTING RON ROGERS AND STEVE ALVAREZ'S MOTION TO  
CONSOLIDATE CASES FOR ALL PURPOSES AND FOR AN ORDER REGARDING  
PRESERVATION OF DOCUMENTS

RAFAT DAWOD, Individually and On Behalf of All Others Similarly Situated,	)	Civil Action No. 04-30029-KPN
	)	
Plaintiff,	)	<u>CLASS ACTION</u>
	)	
vs.	)	
	)	
WAVE SYSTEMS CORPORATION, et al.,	)	
	)	
Defendants.	)	
	)	
ALVIN CHESS, Individually and On Behalf of All Others Similarly Situated,	)	Civil Action No. 04-30037-MAP
	)	
Plaintiff,	)	<u>CLASS ACTION</u>
	)	
vs.	)	
	)	
WAVE SYSTEMS CORPORATION, et al.,	)	
	)	
Defendants.	)	
	)	
MICHAEL D. VICKER, On Behalf of Himself and All Others Similarly Situated,	)	Civil Action No. 04-30040-MAP
	)	
Plaintiff,	)	<u>CLASS ACTION</u>
	)	
vs.	)	
	)	
WAVE SYSTEMS CORPORATION, et al.,	)	
	)	
Defendants.	)	
	)	

[Caption continued on following page.]

H. MARTIN BOHMAN, On Behalf of Himself)	Civil Action No. 04-30041-MAP
and All Others Similarly Situated,	)
	)
Plaintiff,	)
	)
vs.	)
	)
WAVE SYSTEMS CORPORATION, et al.,	)
	)
Defendants.	)
	)
<hr/>	)
JIMMY SUO, On Behalf of Himself and All	Civil Action No. 04-30042-MAP
Others Similarly Situated,	)
	)
Plaintiff,	)
	)
vs.	)
	)
WAVE SYSTEMS CORPORATION, et al.,	)
	)
Defendants.	)
	)
<hr/>	)
JACK SCHULMAN, Individually and On	Civil Action No. 04-30043-MAP
Behalf of All Others Similarly Situated,	)
	)
Plaintiff,	)
	)
vs.	)
	)
WAVE SYSTEMS CORPORATION, et al.,	)
	)
Defendants.	)
	)
<hr/>	)

Having considered plaintiffs' motion to consolidate the actions listed below, and good cause appearing therefore, IT IS HEREBY ORDERED that:

1. The motion to consolidate cases for all purposes is GRANTED;

2. The following actions are hereby consolidated for all purposes, including pretrial proceedings, trial and appeal, pursuant to Rule 42(a) of the Federal Rules of Civil Procedure:<sup>1</sup>

<b>Abbreviated Case Name</b>	<b>Case Number</b>	<b>Date Filed</b>
<i>Sousa v. Wave Systems, et al.</i>	04-30022-MAP	02/04/04
<i>Streicher v. Wave Systems, et al.</i>	04-30026-MAP	02/09/04
<i>Dawod v. Wave Systems, et al.</i>	04-30029-MAP	02/12/04
<i>Chess v. Wave Systems, et al.</i>	04-30037-MAP	02/20/04
<i>Vicker v. Wave Systems, et al.</i>	04-30040-MAP	02/23/04
<i>Bohman v. Wave Systems, et al.</i>	04-30041-MAP	02/23/04
<i>Suo v. Wave Systems, et al.</i>	04-30042-MAP	02/23/04
<i>Schulman v. Wave Systems, et al.</i>	04-30043-MAP	02/23/04

3. The caption of these consolidated actions shall be “*In re Wave Systems Corporation Securities Litigation*,” and the files of these consolidated actions shall be maintained in one file under Master File No. 04-30022-MAP. Any other actions now pending or later filed or transferred into this District that arise out of or are related to the same facts as alleged in the above-identified cases shall be consolidated for all purposes if and when they are brought to the Court’s attention.

4. Every pleading filed in the consolidated actions, or in any separate action included herein, shall bear the following caption:

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<sup>1</sup> There is also one related case pending in the District of New Jersey, *Trebitsch v. Wave Systems, et al.*, No. 04-266 (JCL). While Ron Rogers and Steve Alvarez (collectively, “Movant” or “Proposed Lead Plaintiff”) believe that jurisdiction is proper in this District, in order to preserve their rights, Movant moved for lead plaintiff in the District of New Jersey as well.

UNITED STATES DISTRICT COURT  
DISTRICT OF MASSACHUSETTS

In re WAVE SYSTEMS CORPORATION	)	Master File No. 04-30022-MAP
SECURITIES LITIGATION	)	
_____	)	
	)	
This Document Relates to:	)	
_____	)	

5. When a pleading is intended to be applicable to all actions governed by this Order, the words “All Actions” shall appear immediately after the words “This Document Relates To:” in the caption set out above. When a pleading is intended to be applicable to some, but not all, of the consolidated actions, this Court’s docket number for each individual action to which the pleading is intended to apply and the last name of the first-named plaintiff in said action shall appear immediately after the words “This Document Relates To:” in the caption set out above (*e.g.*, “04-30022-MAP (*Sousa*)”).

6. A Master Docket and a Master File are hereby established for the above consolidated proceedings and for all other related cases filed in or transferred to this Court. Separate dockets shall continue to be maintained for each of the individual actions hereby consolidated, and entries shall be made in the docket of each individual case in accordance with the regular procedures of the clerk of this Court, except as modified by this Order.

7. When a pleading is filed and the caption shows that it is applicable to “All Actions,” the clerk shall file such pleading in the Master File and note such filing on the Master Docket. No further copies need be filed, and no other docket entries need be made.

8. When a pleading is filed and the caption shows that it is to apply to fewer than all of the consolidated actions, the clerk will file such pleading in the Master File only, but shall docket such filing on the Master Docket and the docket of each applicable action.

9. When a case that properly belongs as a part of *In re Wave Systems Corporation Securities Litigation* is filed in this Court or transferred to this Court from another court and assigned to Judge Ponsor, the clerk of this Court shall:

- (a) Place a copy of this Order in the separate file for such action;
- (b) Mail to the attorneys for the plaintiffs in the newly filed or transferred case a copy of this Order and direct that this Order be served upon or mailed to any new defendant(s) or their counsel in the newly filed or transferred case; and
- (c) Make an appropriate entry on the Master Docket. This Court requests the assistance of counsel in calling to the attention of the clerk of this Court the filing or transfer of any case that properly might be consolidated as part of *In re Wave Systems Corporation Securities Litigation*.

10. After the Court has designated a lead plaintiff pursuant to 15 U.S.C. §78u-4(a)(3)(B), the lead plaintiff shall designate a law firm or firms to serve as lead plaintiff's counsel, pursuant to 15 U.S.C. §78u-4(a)(3)(B)(v). Lead plaintiff's counsel shall have authority to speak for and enter into agreements on behalf of plaintiffs in all matters regarding pretrial procedures, discovery and settlement negotiations. Lead plaintiff's counsel shall manage the prosecution of this litigation to avoid duplicative or unproductive activities. Lead plaintiff's counsel shall be responsible for coordination of all activities and appearances on behalf of plaintiffs and for dissemination of notices and orders. Lead plaintiff's counsel shall be responsible for communications with the Court.

11. Defendants' counsel may rely upon agreements made with lead plaintiff's counsel. Such agreements shall be binding on all plaintiffs.

12. Counsel for the parties shall notify their clients of their document preservation obligations pursuant to the federal securities laws.

13. Pursuant to 15 U.S.C. §78u-4(b)(3)(C), the parties shall “treat all documents, data compilations (including electronically recorded or stored data), and tangible objects that are in the custody or control of such person and that are relevant to the allegations, as if they were the subject of a continuing request for production of documents from an opposing party under the Federal Rules of Civil Procedure.” The term “document” shall be interpreted consistently with the terms “document” and “writing” as used in the Federal Rules of Civil Procedure and Federal Rules of Evidence.

14. Defendants are not required to respond to the complaint in any action consolidated into this action, other than a consolidated complaint or a complaint designated as the operative complaint.

15. Lead plaintiff shall file a consolidated complaint within 60 days after the filing of the Order designating the lead plaintiff, unless otherwise agreed upon by the parties. The consolidated complaint shall be the operative complaint and shall supersede all complaints filed in any of the actions consolidated herein.

16. Defendants shall respond to the consolidated complaint within 45 days after service. If defendants file any motions directed at the consolidated complaint, the opposition brief shall be filed within 45 days of filing that motion and the reply brief shall be filed within 21 days of the filing of the opposition brief, unless otherwise agreed upon by the parties.

IT IS SO ORDERED.

DATED: \_\_\_\_\_

\_\_\_\_\_  
HONORABLE PATTI MICHAEL A. PONSOR  
UNITED STATES DISTRICT JUDGE

Submitted by:

DATED: April 5, 2004

MOULTON & GANS, P.C.

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[Proposed] Lead Counsel for Plaintiffs

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the above  
document was served upon the attorney of record  
for each party by mail on April 5, 2004.

\S\ NANCY FREEMAN GANS  
NANCY FREEMAN GANS  
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DECLARATION OF SERVICE BY FEDERAL EXPRESS AND FACSIMILE

I, the undersigned, declare:

1. That declarant is and was, at all times herein mentioned, a citizen of the United States and employed in the City and County of San Francisco, over the age of 18 years, and not a party to or interest in the within action; that declarant's business address is 100 Pine Street, Suite 2600, San Francisco, California 94111.

2. That on April 5, 2004, declarant served the **[PROPOSED] ORDER GRANTING RON ROGERS AND STEVE ALVAREZ'S MOTION TO CONSOLIDATE CASES FOR ALL PURPOSES AND FOR AN ORDER REGARDING PRESERVATION OF DOCUMENTS** by depositing a true copy by Federal Express in San Francisco, California in a sealed envelope with postage thereon fully prepaid and addressed to the parties listed on the attached Service List. Declarant also served the parties by facsimile.

3. That there is a regular communication by mail between the place of mailing and the places so addressed.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 5th day of April, 2004, at San Francisco, California.

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\S\ DEBORAH DASH  
DEBORAH DASH

WAVE SYSTEMS (Mass)

Service List - 4/2/2004 (04-0046M)

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WAVE SYSTEMS (Mass)

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WAVE SYSTEMS (Mass)

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